

EXHIBIT E

EMPLOYEE HANDBOOK

AUDI/VW PRINCETON

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I. INTRODUCTION

A. WELCOME

Starting a new job is exciting, but at times can be overwhelming. This employee handbook has been developed to help you get acquainted and answer many of your initial questions.

Audi/VW Princeton strives for an environment in which all members can reach their full potential as efficient and effective employees, and the Company will reach its full potential as an efficient organization.

As an employee, you will be expected to carry out your job functions in a professional manner.

This Employee Handbook contains important information about many policies and practices affecting your employment. Please read the Employee Handbook in its entirety. This Employee Handbook supersedes any previous Employee Handbooks you may have received, and any previous verbal or written policies, statements, understandings or agreements concerning the terms and conditions of your employment.

However, as times and situations change, we must all be flexible and change accordingly. Therefore, Audi/VW Princeton may, in its sole discretion, alter, reduce or eliminate the policies, practices and benefits described in this Employee Handbook, in whole or in part, with or without prior notice. In addition, Audi/VW Princeton may, in its sole discretion, implement other policies that may not be included in this Employee Handbook. We will try to keep you informed of such policies and of changes as they occur, but we may not always be able to do so. Therefore, before relying on a statement made in this Employee Handbook, you should check with Audi/VW Princeton management as to whether the statement is still current.

This Employee Handbook does not constitute nor is it intended to represent an express or implied contract of employment. No representative of Audi/VW Princeton has the authority to enter into any agreement to employ any employee for a specified period of time or to make a contract of employment, express or implied, that changes or modifies in any way your employment at-will relationship. Only the President of Audi/VW Princeton has the authority to enter an employment agreement that alters an employee's at-will employment status with Audi/VW Princeton and any such agreement must be in writing.

This Employee Handbook cannot anticipate every situation about your employment, and it does not include all Audi/VW Princeton policies and procedures. It contains a summary of some of the more important policies and

procedures. If you have any questions, please do not hesitate to ask your supervisor.

B. EMPLOYMENT AT WILL

Your employment is at will. This means that you or Audi/VW Princeton may terminate your employment at any time, for any reason, with or without notice. Nothing in this Employee Handbook or in any oral or written statement shall limit the right to terminate employment at will. No supervisor or manager has any authority to enter into a contract of employment, express or implied, that changes or modifies in any way your employment at-will relationship. Only the President of Audi/VW Princeton has the authority to enter an employment agreement that alters an employee's at-will employment status with Audi/VW Princeton and any such agreement must be in writing. This Employee Handbook does not constitute a guarantee of employment for any specific period of time.

C. EQUAL EMPLOYMENT OPPORTUNITY

Audi/VW Princeton is an equal opportunity employer. Our company's continued success depends heavily on the full and effective utilization of qualified persons. Accordingly, Audi/VW Princeton prohibits discrimination in hiring, promotion, discharge, compensation, benefits, job training or any other terms and conditions of employment on the basis of race, color, religion/creed, sex, national origin or ancestry, veteran status, disability, age, citizenship, marital status, sexual orientation or any other basis protected by applicable, federal, state or local laws.

In addition, in accordance with applicable federal, state and local law protecting qualified individuals with known disabilities, Audi/VW Princeton will attempt to reasonably accommodate those individuals unless doing so would create an undue hardship on Audi/VW Princeton. Any qualified applicant or employee with a disability who requires an accommodation in order to perform the essential functions of their job should contact their supervisor or manager to request an accommodation.

D. AMERICANS WITH DISABILITIES ACT

Our Company is committed to providing equal employment opportunities to otherwise qualified individuals with disabilities, which may include providing reasonable accommodations where appropriate. In general, it is your responsibility to notify the human resources manager of the need for an accommodation. Upon doing so, the human resources manager may ask you for your input or the type of accommodation you believe may be necessary or the functional limitations caused by your disability. Also, when appropriate, we may need your permission to obtain additional information from your physician or other medical or rehabilitation professionals.

E. EMPLOYEE RELATIONS PHILOSOPHY

We are committed to providing the best possible climate for maximum development and goal achievement for all employees. Our practice is to treat each employee as an individual. We seek to develop a spirit of teamwork; individuals working together to attain a common goal.

In order to maintain an atmosphere where these goals can be accomplished, we provide a comfortable and progressive workplace. Most importantly, we have a workplace where communication is open and problems can be discussed and resolved in a mutually respectful atmosphere. We take into account individual circumstances and the individual employee.

We firmly believe that with direct communication, we can continue to resolve any difficulties that may arise and develop a mutually beneficial relationship.

II. GETTING STARTED

A. EMPLOYMENT ELIGIBILITY AND IMMIGRATION COMPLIANCE

In compliance with the Immigration Reform and Control Act of 1986, as amended, Audi/VW Princeton will hire only those individuals who are authorized to work in the United States. All individuals will be required to submit documentary proof of their identity and employment eligibility. Employees will also be required to complete and sign under oath, the Bureau of Immigration and Customs Enforcement Form I-9. Form I-9 requires you to attest that you are eligible to work in the United States and that the documents you submit are genuine.

If you are authorized to work in this country for a limited period of time, you will be required to submit proof of your employment authorization and sign another Form I-9 before the expiration of that period in order to remain employed.

B. EMPLOYMENT STATUS

Audi/VW Princeton employees are classified as full-time, regular part-time or part time, and exempt or non-exempt and they are hired with a 90 day introductory period.

1. *FULL-TIME EMPLOYEES*

An employee who is normally scheduled to work and who does work at least 40 hours per week or more on a regular basis is a regular full-time employee. Unless otherwise specified, the benefits described in this Employee Handbook apply only to full-time employees.

2. *REGULAR PART-TIME EMPLOYEES*

An employee who is scheduled to work and who does work less than 40 hours or more per week and paid on an hourly basis is a part-time Employee. Should part-time employees be hired as full-time employees, they may be required to complete another Introductory Period before full-time status is given.

3. *TEMPORARY EMPLOYEES*

An employee who is hired for a position of a specific, known duration. In addition the use of this classification for secretarial or administrative positions, it applies to students working part time and those who work during the summer. These employees are only eligible for statutory benefits only, i.e. Worker' Compensation, NJ Short Term Disability and NJ Paid Family Leave.

4. *NON-EXEMPT EMPLOYEES*

A (non-exempt) hourly employee is one whose compensation is based on an hourly rate per hours worked in a pay period. Pursuant to the Fair Labor Standards Act (FLSA) and applicable state laws, non-exempt employees are entitled to overtime pay for all hours worked in excess of 40 hours per week.

5. EXEMPT/NON EXEMPT STATUS

Exempt employees are those whose job assignments and responsibilities meet federal and state requirements for overtime exemption. Such employees are compensated on a salary basis and are not eligible for overtime pay. Executive, administrative and professional employees as well as certain outside sales employees, as these classifications of employees are defined under the federal Fair Labor Standards Act are generally considered exempt. All other employees will be classified as non-exempt. If you are an exempt employee, your manager or supervisor will advise you of this.

C. INTRODUCTORY PERIOD

The introductory period is intended to give new employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. Audi/VW Princeton use this period to evaluate employee capabilities, work habits, and overall performance. Either the employee or Audi/VW Princeton may end the employment relationship at will at any time during or after the introductory period, with or without cause or advance notice.

All new and rehired employees work on an introductory basis for the first 90 calendar days after their date of hire. Any significant absence will automatically extend an introductory period by the length of the absence. If Audi/VW Princeton determine that the designated introductory period does not allow sufficient time to thoroughly evaluate the employee's performance, the introductory period may be extended for a specified period.

Upon satisfactory completion of the initial introductory period, employees enter the "regular" employment classification.

During the introductory period, new employees are eligible for those benefits that are required by law, such as workers' compensation insurance and Social Security. After becoming regular employees, they may also be eligible for other Audi/VW Princeton provided benefits, subject to the terms and conditions of each benefits program. Employees should read the information for each specific benefits program for the details on eligibility requirements.

D. PAY RAISES

Depending on your performance and our company's profitability, adjustments in your pay may be made when there has been an improvement in or sustainment of an already good performance during the review period.

E. ATTENDANCE AND PUNCTUALITY

To maintain a safe and productive work environment, Audi/VW Princeton expect employees to be reliable and to be punctual in reporting for scheduled work. Absenteeism and tardiness place a burden on other employees and on Audi/VW Princeton. In the rare instances when employees cannot avoid being late to work or are unable to work as scheduled, they should notify their immediate supervisor by telephone, if you are unable to reach him/her by telephone you must text or email your reason for your tardiness or lateness in advance of the anticipated tardiness or lateness.

If for any reason an employee is unable to report to work on a scheduled workday (including scheduled overtime) he/she is expected to notify Human Resources and his/her supervisor by the beginning of the scheduled workday. They must notify their immediate supervisor by telephone, if you are unable to reach him/her by telephone you must text or email your reason for your absence in advance of the anticipated absence. In cases of absences exceeding one day, it is the employee's responsibility to arrange a reporting schedule with the manager. If the employee wishes to apply for one of the company's leave policies, the employee should follow the reporting policy delineated in that policy. When an employee is absent from work, they must use any accrued time available. If you are absent three (3) days or more consecutively you must have a doctor's note when you return to work.

Any employee absent from work for three (3) consecutive days without notifying their supervisor will be considered to have voluntarily terminated his/her employment.

Poor attendance and excessive tardiness are disruptive and may lead to disciplinary action, up to and including termination of employment if not corrected.

F. DRIVER'S LICENSE/DRIVING RECORD

Employees in positions where the operation of a motor vehicle is an essential duty of the position must present and maintain a valid driver's license and acceptable driving record to our insurer. Changes in your driving record must be reported to the Human Resources Manager immediately. Violations of this policy may result in immediate termination of your employment.

G. COMPANY VEHICLES

Any employee who operates a company vehicle is responsible for the safe operation and cleanliness of the vehicle.

Accidents involving a company vehicle must be reported to the Human Resources manager immediately.

Employees are responsible for any moving or parking violations and fines which may result when operating a company vehicle.

The use of seat belts is mandatory for all drivers and passengers of company vehicles.

Use of a cell phone when operating a company vehicle must be done via Bluetooth or another hands free device.

H. CARE OF EQUIPMENT

All employees are expected to demonstrate proper care when using the company's property or equipment. No property may be removed from the premises without the proper authorization of management. If you lose, break or damage any property or equipment, report it to your supervisor immediately.

I. SUGGESTIONS AND IDEAS

We are always interested in your constructive ideas and suggestions for improving our operations. Your suggestions should be submitted in writing to your supervisor.

After we investigate your suggestion, you will be notified whether it is feasible to be put into practice.

J. TALK TO US

We encourage you to bring your questions and complaints to our attention. We will carefully consider each of these in our continuing effort to improve operations.

If you feel you have a problem, present the situation to your supervisor so the problem can be resolved by examination and discussion of the facts. We hope our supervisor is able to satisfactorily resolve most matters.

If you still have questions after meeting with your supervisor or if you would like further clarification on the matter, request a meeting with Human Resources. The Human Resource manager will review the issues and meet with you to discuss possible solutions.

Finally, if you still believe that the problem has not been fairly or fully addressed, request a meeting with the Chief Financial Officer.

Your suggestions and comments on work-related subjects are important and we encourage you to take every opportunity to discuss them with us. Your job will not be adversely affected in any way because you choose to use this procedure.

K. EMPLOYMENT OF RELATIVES

A supervisor may not hire an individual to work under his/her supervision if that individual is a member of the supervisor's immediate family or his/her spouse. The term "immediate family" refers to parents, children, sisters, brothers, nieces, nephews or family members residing in the same house.

In the case of marriage of persons within the same department, an effort will be made to assign comparable job duties so as to minimize problems of supervision, safety, security and morale.

L. TRAVEL/EXPENSE ACCOUNTS

The company will reimburse employees for reasonable expenses incurred through pre-approved business travel or entertainment.

The following business expenses will be reimbursed, per scheduled guidelines.

- Travel expense
- Automobile expense
- Lodging
- Tips, (within reason)
- Business meals

For any travel where an employee must use public transportation, i.e. airplane, bus etc. or any overnight stays, they must use the company travel agent.

The company will not give any cash advances.

M. VISITORS

If you are expecting a visitor, please notify the receptionist. All visitors must first check in at the reception area. Visitors are not allowed in any area of the building without being accompanied by an authorized employee. Under no circumstances will a visitor be allowed in any work area, confidential, unauthorized or potentially hazardous areas.

N. SEVERE WEATHER

Severe weather is to be expected during the winter months. Although driving may at times be difficult, when caution is exercised, the roads are normally passable.

Time taken off due to poor weather conditions while the business remains open non-exempt employees may use vacation time or the time will be unpaid.

If extreme weather conditions exist, the company may close or delay opening. In the event that inclement weather is forecast, you will be provided with a phone number to call. There will be a recorded message with any delayed opening or closing information. In the event that the company does close due to weather, missed time will be paid from any accrued sick or vacation time available to you.

III. PERSONNEL POLICIES

A. POLICY AGAINST WORKPLACE HARASSMENT

Audi/VW Princeton is committed to providing a work environment free from all forms of discrimination, including sexual harassment. Audi/VW Princeton promote a work environment that fosters personal and professional development. Audi/VW Princeton's policy is that any form of workplace harassment, including but not limited to, sexual, racial, religious, age, national origin, citizenship or disability, will not be tolerated and any offenders will be subject to disciplinary action, up to and including termination of their employment.

Sexual harassment is not only detrimental to the working environment but also demoralizing for everyone involved. Such harassment is illegal and a violation of Audi/VW Princeton policy prohibiting any and all forms of discrimination.

Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors and other verbal, visual or physical conduct of a sexual nature. The following are considered illegal and policy violations:

- 1) Unwelcome sexual flirtations, advances or propositions.
- 2) Verbal abuse of a sexual nature.
- 3) Subtle pressure or requests for sexual activities.
- 4) Unnecessary touching of an individual.
- 5) Verbal commentaries about an individual's body.
- 6) Sexually degrading words used to describe an individual.
- 7) A display in the workplace of sexually suggestive objects or pictures.
- 8) Sexually explicit or offensive jokes.
- 9) Physical assault of any type.
- 10) Any request for sexual favors for any type of reward or to avoid adverse consequences.

(The above list does not serve to define all possible infractions or actions of an inappropriate nature.)

Harassment on the basis of any other protected characteristic is also strictly prohibited. Under this policy, harassment includes verbal or physical conduct that denigrates or shows hostility or aversion toward an individual because of his/her race, color, religion, sex, national origin, age, disability, citizenship, or any other characteristic protected by law or that of his/her relatives, friends or associates, and that (i) has the purpose or effect of unreasonably interfering with an individual's work performance; (ii) has the purpose or effect of creating an intimidating, hostile, or offensive work environment; or (iii) otherwise adversely affects an individual's employment opportunities. Harassing conduct includes, but is not limited to: epithets, slurs, or negative stereotyping; threatening, intimidating or hostile acts; denigrating jokes and display or circulation in the workplace of written or graphic

material that denigrates or shows hostility or aversion toward an individual or group (including through e-mail).

It is the responsibility of everyone, not simply management, to prevent and eliminate such destructive behaviors. If you feel that you have experienced or witnessed such actions, you should immediately notify your direct supervisor, another supervisor, or the President of Audi/VW Princeton. Employees should not feel obligated to file complaints with their immediate supervisor first before bringing the matter to the attention of one of the other individuals identified above.

Completing, filing, and/or investigating a report of inappropriate conduct does not validate the complaint. Confidentiality will be maintained throughout the investigatory process to the extent consistent with adequate investigation and appropriate corrective action.

Employees who report incidents of harassment or assist in any inquiry will be protected against retaliation. Audi/VW Princeton prohibits retaliation against any individual who reports discrimination or harassment or participates in an inquiry of such reports. Retaliation against an individual for reporting harassment or discrimination or for participating in an inquiry into a claim of harassment or discrimination is a serious violation of this policy and, like harassment or discrimination itself, will be subject to disciplinary action. The prohibition against retaliation includes, but is not limited to remarks, threats, physical or verbal abuse, any discrimination in terms of pay, advancement, opportunities, termination, job assignments or reassignments, unwelcome or unwarranted transfers, threats of punishment or revenge, actual punishment or revenge (for reporting or assisting in harassment/discrimination inquiries), or other acts that could be interpreted as retaliatory.

Understanding the extremely sensitive nature of such a claim, Audi/VW Princeton will maintain the highest degree of confidentiality possible in conducting a thorough and prompt inquiry. Audi/VW Princeton will share information only on an as needed basis. Audi/VW Princeton reserves the right at any time during an inquiry, or its conclusion, to exercise its discretion in taking whatever action it deems necessary. These actions may include but are not limited to placing an employee on leave of absence, reassignment, suspension, probation, demotion and/or termination. Audi/VW Princeton also reserve the right to require counseling, training and/or monitoring as a condition of continued employment.

This policy serves to assist management in its goal to achieve zero tolerance of workplace harassment. It is however not written nor intended to restrict management's authority regarding disciplinary or employment decisions concerning employee behavior that is deemed unacceptable regardless of whether the behavior constitutes harassment.

If an employee refuses to participate in a Audi/VW Princeton inquiry, Audi/VW Princeton will base its conclusions on the other information gathered during the inquiry, and inferences drawn from all of the credible evidence.

This Policy against Workplace Harassment applies not only to employees, but vendors, customers and others alike who associate with Audi/VW Princeton

Complaint Procedure

I. Notify your direct supervisor, another supervisor, or the President of Audi/VW Princeton. Be assured that all complaints will be taken seriously. Please be prepared to provide the names of anyone involved, the nature of the misconduct (in detail), time and location of the incident. Employees should not feel obligated to file complaints with their immediate supervisor first before bringing the matter to the attention of one of the other individuals identified above.

**IMPORTANT NOTICE TO ALL EMPLOYEES:
EMPLOYEES WHO HAVE EXPERIENCED CONDUCT THEY
BELIEVE IS CONTRARY TO THIS POLICY HAVE AN
OBLIGATION TO TAKE ADVANTAGE OF THE COMPLAINT
PROCEDURE. AN EMPLOYEE'S FAILURE TO FULFILL THIS
OBLIGATION COULD AFFECT HIS OR HER RIGHTS IN
PURSUING LEGAL ACTION. ALSO, PLEASE NOTE, FEDERAL,
STATE AND LOCAL DISCRIMINATION LAWS ESTABLISH
SPECIFIC TIME FRAMES FOR INITIATING A LEGAL
PROCEEDING PURSUANT TO THOSE LAWS.
ALL COMPLAINTS MUST BE PUT IN WRITING. A
TRANSLATOR WILL BE PROVIDED IF NEEDED.**

Early reporting and intervention have proven to be the most effective method of resolving actual or perceived incidents of harassment. Therefore, while no fixed reporting period has been established, you are strongly urged to promptly report complaints or concerns so that rapid and constructive action can be taken.

The availability of this complaint procedure does not preclude individuals who believe they are being subjected to harassing conduct from promptly advising the offender that his or her behavior is unwelcome and requesting that it be discontinued.

II. Any reported allegations of harassment, discrimination or retaliation will be investigated promptly. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge.

III. Confidentiality will be maintained throughout the investigatory process to the extent consistent with adequate investigation and appropriate corrective action.

IV. Misconduct constituting harassment, discrimination or retaliation will be dealt with appropriately. Responsive action may include, for example, training, referral to counseling and/or disciplinary action such as warning, reprimand, withholding of a promotion or pay increase, reassignment, temporary suspension without pay, or termination of employment, as Audi/VW Princeton believes appropriate under the circumstances.

B. POLICY AGAINST VIOLENCE IN THE WORKPLACE

Audi/VW Princeton believe employees must display common sense, good judgment and a high regard for the rights and interests of others if we are to provide a safe and productive work environment. Accordingly, employees are required to adhere to essential standards of personal conduct at all times.

It is impractical to spell out everything that is expected of employees in terms of honesty, courtesy, professionalism and good conduct. In all cases, determinations as to the level of discipline are reserved by and remain within the sole discretion of management regardless of whether the behavior constitutes violence.

Actions do not need to be aimed directly towards someone or something to be considered a violation jeopardizing the safety and productivity of co-workers, customers and others. Deliberate actions that create the potential for an unsafe work place are a violation of policy and will subject the employee to disciplinary action up to and including termination of their employment. Unauthorized possession of weapon(s), such as firearms, explosives, or box cutters, while on Audi/VW Princeton time and/or Audi/VW Princeton property is strictly prohibited.

The following are other examples of violations of this policy:

*Any act or omission which threatens, coerces or endangers the safety of co-workers, customers or self.

*Fighting, threatening or provoking a fight while on Audi/VW Princeton property and/or time.

*Destruction, damage or misuse of Audi/VW Princeton property, property of co-workers or customers.

Any employee who engages in conduct such as the type described above will be subject to disciplinary action, up to and including termination of their employment.

All incidents involving violence in the workplace must be reported to your supervisor, manager or Audi/VW Princeton management. In addition, all Audi/VW

Princeton personnel are responsible for notifying their supervisor, manager or Audi/VW Princeton management of any threats that they have witnessed, received, or have been told that another person has witnessed or received. Even without an actual threat, personnel should also report any behavior they have witnessed which they regard as threatening or violent, when that behavior is job-related or might be carried out on an Audi/VW Princeton - controlled site, or is connected to Audi/VW Princeton employment. Employees are responsible for making this report regardless of the relationship between the individual who initiated the threat or threatening behavior and the person or persons who were threatened or were the focus of the threatening behavior.

All individuals who obtain a protective or restraining order which lists Audi/VW Princeton locations, directly or indirectly, as being protected areas, must provide to their supervisor, manager or Audi/VW Princeton management a copy of any temporary protective or restraining order which is granted, and a copy of any protective or restraining order which is made permanent. Audi/VW Princeton understand the sensitivity of the information requested and will maintain the highest degree of confidentiality possible. Audi/VW Princeton will share information only on an as needed basis.

C. POLICY AGAINST SUBSTANCE ABUSE

It is essential that all employees be alert and in full possession of their faculties when working. This Policy Against Substance Abuse is necessary to protect the safety of our workforce, our workplace, and the public. Using illicit drugs or alcohol can cause permanent injury or death. The purpose of this Policy Against Substance Abuse is to prevent accidents and injuries in Audi/VW Princeton operations that result from employees using illicit drugs, controlled substances, or alcohol, and to maintain high standards of conduct and efficiency.

The abuse of drugs and alcohol leads to an increased number of accidents and medical claims. The abuse of drugs and alcohol can also lead to the deterioration of an employee's health and can interfere with family life. We believe that early recognition and treatment are critical to successful rehabilitation and to the minimization of business, personnel, family and social disruption. Therefore, we strongly encourage employees to voluntarily seek help. However, for those employees who refuse to seek assistance or refuse to comply with the Drug-Free Workplace Policy, the Company will take appropriate measures to ensure our goal is reached. Finally, we believe it is important that our employees' personal privacy and dignity be respected while maintaining a safe and productive workplace.

Employees who undergo voluntary counseling or treatment and who continue to work are subject to the same job performance and behavior standards as other employees. As is the case of all employees, those seeking voluntary counseling or treatment who fail to meet performance standards will be subject to disciplinary action.

When treatment is necessary, coverage is based on the parameters set forth in the health benefits plan.

Accordingly, no employee may report to work or remain on duty while using, being under the influence of, or impaired by an illegal drug, intoxicant, or controlled substance. No employee may possess, sell or distribute an illegal drug, intoxicant, or controlled substance while on Audi/VW Princeton property or on Audi/VW Princeton time. Use of illegal drugs, intoxicants, or controlled substances during working hours, during breaks, or during lunch is prohibited.

Any employees who are involved in accidents or injuries on the job may be tested for substance abuse by urine sample. If the test is positive, the employee will be required to sign the "rehabilitation form". The President and the employee's supervisor will also sign the rehabilitation form. The employee will be tested every two weeks for up to six months or until the President feels there is no longer a problem. If the employee tests positive a second time he/she will be terminated immediately. If an employee refuses to be tested, the refusal will be treated as a positive test result and the employee will be subject to disciplinary action, up to and including termination of their employment.

The use of prescription drugs and/or over-the-counter drugs may also affect employees' job performance and seriously impair employees' ability to perform their job duties. Any employee who is using prescription or over-the-counter drugs that may impair his or her ability to safely perform the job or may affect the safety of others must submit a physician's statement that the prescription drug will not affect job safety. The employee is not required to identify the medication or underlying illness. Various federal, state and local laws protect the rights of individuals with disabilities and others with regard to the confidentiality of medical information, medical treatment, and the use of prescription drugs and substances taken under medical supervision. Nothing contained in this policy is intended to interfere with individual rights under, or to violate these laws.

Any individual violating this policy will be subject to disciplinary action, up to and including termination of their employment.

To prevent an illegal drug, intoxicant, or controlled substance from being brought on to Audi/VW Princeton premises, Audi/VW Princeton, may, at its discretion, inspect any work station, locker, package, purse, briefcase, tool box, vehicle, or other personal belongings brought onto Audi/VW Princeton premises in connection with the investigation of any rule violation. Employees must cooperate in all investigations of suspected rule violations or in the maintenance of a safe workplace.

Testing

Testing is the only objective way to know with certainty whether an individual has drugs or alcohol in his/her system. For the safety of all our employees, the Company may test for drugs and/or alcohol in the following circumstances:

- during the post-offer period;
- where there is reasonable suspicion of prohibited drug or alcohol use;
- after an accident,
- when required by the government;
- when required by a client;
- on a random basis; and
- as follow-up to treatment and/or assessment.

An accident is defined as an unplanned, unexpected and unintended event which occurs on company property, on company business, or during working hours, or which involves company supplied motor vehicles or motor vehicles being used for company purposes and which results in either:

- a fatality;
- bodily injury requiring medical treatment away from the scene; or
- damage to a motor vehicle or other property in excess of \$1,000.00

Refusing to consent to or submit to a drug and/or alcohol test when required under this policy is considered a violation and an employee may be subject to disciplinary action up to and including termination.

The Company has adopted procedures that respect employees' privacy and confidentiality concerns. For example, before a reasonable suspicion test can be requested, a supervisor or manager must document all suspected behavior. Whenever possible, the supervisor will discuss the reasonable suspicion referral with the employee in a private location.

Finally, before a positive test result is reported, and if an employee has a legitimate medical explanation for the positive test he/she will need to bring proof to the President and the test will be reported as negative.

Consequences

Any violation of the Drug-Free Workplace Policy, even at first offense, may be a basis for disciplinary action, up to and including termination. However, particularly serious violations, such as selling drugs at the Company, will normally result in immediate termination. For new employees or violations other than a positive test, the Company may, in its sole discretion, discipline the employee or, ask the employee to voluntarily seek professional assessment, counseling.

Employees who seek treatment will be required to sign a rehabilitation agreement. Employees must comply with all of the treatment conditions or they may be

discharged. Employees are always required to meet the established standards of conduct and job performance while undergoing substance abuse treatment.

Confidentiality

All information concerning drug and/or alcohol testing referrals and testing results, and/or treatment and rehabilitation of an employee will be kept confidential.

D. PERSONAL CONDUCT IN THE WORKPLACE

Audi/VW Princeton have always maintained the highest standards of public service. Therefore, in all dealings with the public and with each other, all Company employees are expected to respect the dignity of each individual. With the foregoing in mind, the Company has developed policies and rules for the benefit of us all.

Some of the policies have already been outlined earlier in the handbook. Others are contained in the following list. You are encouraged to read this list of actions and to understand them fully. Many of these things have never been a problem for the Company, and we hope to keep it that way. If any one of these actions or any one of the previously mentioned actions or similarly flagrant action is taken by you, it can result in disciplinary action up to and including dismissal.

1. Insubordination or lack of cooperation.
2. Failing to follow Company job instructions.
3. Failing to follow instruction of, or to perform work requested by, a Supervisor or Manager.
4. Failing to meet a Company measure of efficiency and productivity.
5. Placing long distance personal phone calls or making excessive phone calls on a Company phone. The Employee will be responsible for re-imbursement to the Company all costs related to any unauthorized long distant phone calls.
6. Unauthorized or excessive absences (including late arrival and early departure) from work.
7. Sleeping on Company property or during the time in which you are supposed to be working.
8. Abusing, wasting or stealing Company property or the property of any Company employee or non-employee.

9. Removing Company property or records without written authorization.
10. Falsifying your employment application or other personnel records.
11. Falsifying Company reports or records (including timesheets).
12. Violating the law on Company premises, including gambling.
13. Fighting or starting a disturbance on Company premises or while performing job duties, including, but not limited to, assaulting or intimidating a Company employee or non-employee.
14. Unauthorized possession of firearms, weapons or dangerous substances while performing job duties or on Company premises.
15. Reporting to work in a condition unfit to perform your duties, including reporting to work with measurable amounts of illegal drugs or controlled substances in your system or being under the influence of alcohol or drugs or controlled substances.
16. Consuming alcohol, illegal drugs or controlled substances on Company premises or while performing your job duties.
17. Violating a Company safety rule or practice, or creating or contributing to unhealthful or unsanitary conditions.
18. Acting in conflict with the interests of the Company.
 - Employee behavior at non company functions, talking about company issues to outsiders.
19. Disclosing confidential Company information without authorization.
 - Informing a competitor of the companies pricing model.
20. Unauthorized solicitation or distribution on Company property.
 - Trying to get an employee to sign up for an organization i.e. religious, ethical, etc.
21. Using profanity toward others.
 - Swearing at another employee
22. Failing to fully cooperate in any Company investigation.
 - Not informing the investigator information that employee may have concerning the issue.

Audi/VW Princeton does not have a formal progressive discipline policy requiring a set number of warnings or counseling sessions. Instead, each case is considered on its own facts. In the case of misconduct or violation of Audi/VW Princeton policies, immediate termination may be appropriate depending on the facts.

The above statement regarding conduct in the workplace does not alter or limit your employment at will status with Audi/VW Princeton; your employment may be terminated at any time for any reason, with or without cause or notice.

E. ETHICAL STANDARDS/CONFLICT OF INTEREST

Audi/VW Princeton have an excellent reputation for conducting their business activities with integrity, fairness and in accordance with the highest ethical standards. As an employee, you enjoy the benefits of our reputation and are obligated to uphold our ethical standards in every business activity.

Exactly what constitutes a conflict of interest or an unethical business practice is both a moral and a legal question. Audi/VW Princeton recognizes and respects your right to engage in activities outside of your employment that are private in nature and do not in any way conflict with or reflect poorly on Audi/VW Princeton. Management reserves the right however, to determine when an employee's activities represent a conflict with our interests and take whatever action is necessary to resolve the situation, including termination of employment.

If you are ever in doubt whether an activity meets our ethical standards, may be a conflict of interest, or compromises the Company's reputation, please discuss it with your manager or supervisor.

As an Employee of Audi/VW Princeton you may be required to sign a Confidentiality/Non-Compete statement as part of the hiring process.

F. CONFIDENTIAL INFORMATION

Information given to a customer, client or vendor is proprietary and/or confidential information. Such information is to be maintained with strict confidentiality. This is also true for proprietary information within Audi/VW Princeton. You are prohibited both during and after your employment from discussing with any outside party without the express consent of Audi/VW Princeton management, confidential information which includes, but is not limited to, financial, advertising information, business strategies, systems, methods and procedures, reports, specifications, computer data, intellectual property, and other business and technical information.

Such confidential information constitutes a valuable asset of Audi/VW Princeton. Embodying substantial business and creative efforts, and any unauthorized disclosure of confidential information by any employee will result in irreparable injury to Audi/VW Princeton. You may be required to enter into written confidentiality agreements confirming your understanding of Audi/VW Princeton confidentiality policies.

Any employee for the purpose of furthering current or future outside employment or activities or for obtaining personal gain or profit may not use confidential information obtained during or through employment with Audi/VW Princeton. Audi/VW Princeton reserves the right to avail itself of all legal or equitable remedies available to it to prevent the impermissible use of confidential information.

Also, any person applying for employment with Audi/VW Princeton from within the same industry that has an Employee Confidentiality & Non-Competition/Non-Solicitation agreement in effect will not be hired by Audi/VW Princeton. Audi/VW Princeton will not seek any employee's prior company's proprietary information for their own advantage. Any employee that offers any proprietary information to Audi/VW Princeton will be subject to disciplinary actions up to and including termination.

G. CONSCIENTIOUS EMPLOYEE PROTECTION ACT (CEPA)

Employees are encouraged to report any policy or practice of Audi/VW Princeton or its employees that are believed to be in violation of law, public policy, or a rule or regulation promulgated pursuant to law. The Conscientious Employee Protection Act prohibits the taking of retaliatory action against an employee who has reported such wrongdoing, who has testified before a public body conducting an investigation into such wrongdoing or otherwise objects to such wrongdoing. Should you have any questions or want additional information regarding your rights and responsibilities please contact the President of Audi/VW Princeton.

H. ELECTRONIC INFORMATION POLICY

Audi/VW Princeton has established a policy with regard to access, use and disclosure of data created, sent or received by company employees using Audi/VW Princeton computer, telephone, facsimile and electronic mail systems.

Audi/VW Princeton intends to follow the policies set forth below, but reserves the right to change them at any time as may be required under the circumstances. Any employee, who violates this policy and/or uses Audi/VW Princeton computer, telephone, facsimile or electronic mail systems for improper purposes as described herein and does not curtail such violation(s) when so instructed by the President may be subject to discipline, up to and including possible termination of employment.

- Audi/VW Princeton maintain computer, telephone, facsimile, and electronic mail systems. Audi/VW Princeton provide these systems to its employees to assist them in conducting Audi/VW Princeton business inside and outside the company.
- Computer, telephone, facsimile and electronic mail system hardware is Audi/VW Princeton property. Additionally, all data composed, sent, or received on these systems are and remain the property of Audi/VW Princeton. Such electronic media is not the private property of any employee and the use of Audi/VW Princeton electronic media by the employee does not create any privacy rights in such media communications.
- Occasional personal use of computer, telephone, facsimile and electronic mail systems is permitted. Use by an employee's family member or non-employee is strictly prohibited. Such messages become the property of Audi/VW Princeton and are subject to the same terms and conditions as Audi/VW Princeton business communications. Any questions or concerns regarding what constitutes personal use should be brought to the attention of your immediate supervisor.
- Computer, telephone, facsimile and electronic mail systems may not be used to solicit or proselytize for commercial ventures, religious or political causes, outside organizations, or other non-employment related solicitations.
- Employees downloading programs or files not approved by the Company, which cause system errors and inconvenience employees, will be held responsible for any cost incurred.
- Computer, telephone, facsimile and electronic mail systems are not to be used to create or display any offensive or disruptive messages. Among those which are considered offensive, are any messages which contain sexual implications, racial slurs, gender-specific comments, or any other comment that offensively addresses someone's age, sexual orientation, religious or political beliefs, national origin, or disability.
- Computer, telephone, facsimile and electronic mail systems are not to be used for the mass distribution of any non-approved Audi/VW Princeton data or unsolicited data originated by internal or external sources.
- Electronic mail systems and networks shall not be used to send or receive copyrighted materials without permission of the copyright holder, trade secrets of Audi/VW Princeton or its clients, proprietary financial information

regarding Audi/VW Princeton or its clients, or similar materials without prior authorization of Audi/VW Princeton Management.

- Audi/VW Princeton reserves and intends to exercise the right to review, audit, intercept, access and disclose all messages created, received or sent over computer, telephone, facsimile and electronic mail systems for any purpose. The President may disclose data properly obtained for legitimate business purposes without the permission of the sender or recipient to any legal authorities including civil or criminal, Federal, State or municipal governmental agencies or as required by a court of competent jurisdiction.
- The privacy or confidentiality of any data should not be assumed. Even when data is erased, it may still be possible to retrieve in a legible condition. Further, the use of passwords for security does not guarantee confidentiality.
- Notwithstanding Audi/VW Princeton right to retrieve and read any data, such data should be treated as confidential by other employees and accessed only by the intended recipient. Employees are not authorized to retrieve or read any data that are not specifically sent to them. Any exception to this policy must receive prior approval by The President.
- All employees are to refrain from conversations regarding Political or Religious subject's with fellow employees or customers while on actual work time.

Employees shall not use any pass code, access any file, or retrieve any stored information unless authorized to do so in connection with their normal and customary business, job related functions. Employees should not attempt to gain access to another employee's data without the latter's permission or the permission of the President. All computer passwords must be provided to the Office Manager. No password encryption methods may be used that are unknown to the Office Manager.

- **Any employee who discovers a violation of this policy shall notify the Office Manager or any other appropriate Audi/VW Princeton officer.**

I. ON THE JOB PROBLEMS

As a Audi/VW Princeton employee and an important member of our team, we are concerned that your on-the-job problems are brought to our attention. Many problems tend to arise out of misunderstanding or lack of complete information. If problems are kept hidden they tend to fester and to grow out of proportion to their seriousness. If you feel that anything has occurred that is in any way unfair to you, or if you have any complaints, requests, or constructive criticism, the best way to eliminate the problem is to talk it over.

If you feel you have a problem, present the situation to your Supervisor/Department Head first and discuss. If you have ideas for doing things a better way or encounter a problem about practices discussed herein or any problems that arise about your work, talk to your Supervisor/Department Head. In most instances, the problems can be immediately solved after this first step is taken.

If, after talking to your Supervisor/Department Head, you have not received a satisfactory explanation or decision, you should notify your Supervisor/Department Head that you wish to present your problem to Human Resources. To do this, please write a note to the Human Resources stating:

- (1) your name and department,
- (2) what your problem is,
- (3) when you discussed it with your Director of Field Operations/ Department Head,
- (4) what your Supervisor/ Department Head's response was?
- (5) why you disagree, and
- (6) what you suggest as the proper response to the problem you raised.

Human Resources will investigate and, to the extent necessary, will discuss the problem with you. If an immediate decision is possible, it will be given to you; if not, you will be informed of the time when an answer will be available. We urge that you bring all problems or complaints out into the open since only in this manner can any action be taken by the Company.

J. SOLICITATION AND DISTRIBUTION

Because distraction on the job leads to unsafe working conditions, poor work performance and inefficiency, we have established the following guidelines:

- During periods of your workday when you are engaged in or required to be performing your work tasks, you may not engage in solicitation of other employees or distribution of literature for any purpose.
- During periods in another employee's workday when he or she is engaged in or required to be performing his or her work tasks, you may not solicit the other employee for any purpose.
- Distribution of literature of any kind may not be made in the work areas of the premises at any time.

- Persons not employed by the Company are not permitted to solicit or distribute literature on Company premises.

K. SAFETY AND ACCIDENT PREVENTION

Safety is a vital concern of Audi/VW Princeton. Each employee is responsible for and plays a vital role in ensuring the continued safety of their workplace. We need your help in promoting safety and the prevention of accidents by observing the following common sense rules:

1. Learn your job and how to be safe in the work place.
2. Learn the location of fire alarm boxes, extinguishers, and your duties in case of fire.
3. Promptly report all unsafe or potentially hazardous conditions, such as the following to your supervisor:

- Wet or slippery floors
- Littered or unsafe areas at work
- Equipment left in halls or walkways
- Exposed or unsafe electrical wiring
- Careless handling of equipment
- Defective equipment

4. Do not operate electrical equipment with wet hands.
5. Immediately report all accidents to your supervisor.
6. Use proper lifting procedures and ask for help when needed.
7. Wear safety glasses and protective clothing when needed.
8. Handle hazardous chemicals with proper precautions.

Report all accidents immediately to your supervisor. Do not hesitate to report any and all incidents in detail.

L. PERFORMANCE MANAGEMENT POLICY

All employees are expected to work efficiently and harmoniously and to meet the requirements and standards for their position.

During your employment with Audi/VW Princeton, you're Manager or his or her designee will evaluate your work. He or she will undertake a formal review of your

work performance giving consideration at each review to changes in your job content or responsibility.

Your salary is monitored in this manner so that it accurately reflects your job and your performance. Based upon the evaluation of your Supervisor/Department Head or his or her designee and your total work record, your salary may be increased. It should be understood, however, that increases in your salary are not an automatic part of the performance review but are within the Company's discretion based upon your entire work record and the evaluation of your Manager or his or her designee.

M. TELEPHONE USAGE

Contact with the public is vital to our business. Telephone courtesy is a priority because, often, the only contact with the company may be phone contact. Callers will base their opinion of the Company on their telephone experience.

- Speak clearly and politely;
- Answer the telephone promptly and identify yourself per departmental guidelines;
- Keep voice mail messages current and change it to reflect periods of time when you will be out of the office for more than one day.
- Take careful and complete messages for co-workers; use voicemail whenever it is possible.
- Do not leave someone unattended on hold for more than a few seconds.

The Company recognizes that there may be an occasion when it is necessary to make or receive a personal call at work. Abuse of this privilege is subject to disciplinary action.

N. CELL PHONE

The use of personal cell phones to make or receive personal calls and/or pages is strictly forbidden while an employee is on duty. Audi/VW Princeton will allow an employee to carry their cell-phone on their person but it must be in the **OFF** position. If an employee has an emergency and are expecting a call, they will be allowed to have their phones on "vibrate" in order to receive the call. Also, employees are not permitted to text message to any one via their cell phone. If an employee is found using their cell-phone whether they are speaking or texting while on Company time they will be subject to disciplinary actions up to and including termination.

O. SMOKING

In keeping with Audi/VW Princeton intent to provide a safe and healthful work environment, we are a non-smoking facility. Audi/VW Princeton has designated smoking areas outside of the building as dictated by our insurance carrier. Smoking is only permitted before and after work hours and during lunch and break periods. Any employee caught smoking in an unauthorized place will be subject to disciplinary actions up to and including termination.

This policy applies equally to all employees, customers, and visitors.

P. PROFESSIONAL APPEARANCE STANDARDS

Our customers' satisfaction represents the most important and challenging aspect of our business. Whether or not your job responsibilities place you in direct customer contact, you represent the company with your appearance as well as your actions.

The properly attired individual not only helps to create a favorable image for the company, to the public, and to fellow employees, but we believe it also boosts your own self-image. In order to help create a more professional image, please find the following dress code guidelines.

Inappropriate attire includes but is not limited to the following:

- No jeans
- No employee will be allowed to walk thru the facility with any opened toe shoe.
- No sweatshirts/sweat suits. No T-Shirts (including Fridays)
- No leggings, stretch pants, spandex, etc. (or any type of tight pant).
- No overly tight or short skirts
- No excessively low cut, tight revealing tops
- No belly shirts (midriff, half shirts W/belly exposed)
- No tank tops, halter tops or muscle shirts
- No clothing with foul language or obscene images
- No torn clothing or frayed pant hems
- All employees must wear the appropriate uniforms that have been assigned to your department.
- Employees who wear facial hair, mustaches or beards, they must be kept neat and trimmed.

The company doesn't feel that it should be necessary to inform everyone that they will be having visitors. Everyone should be dressed as if we are having visitors on a daily basis, this way if someone happens to drop-in unexpectedly we will be

prepared. Dress that is extremely casual may be interpreted to mean that we don't care.

Our goal is to create a more professional atmosphere around the office. In order to accomplish this we not only need to dress professionally but we also need to act professionally. Therefore the company will no longer tolerate gossiping, complaining and derogatory comments in the office. We all work for the same company and we need to work together as a team. This not only means working well with your co-workers in your own department, but also working peacefully outside your departments. Anyone who chooses to act in an in-appropriate and unprofessional manner will be subject to disciplinary actions up to and including suspension and/or termination.

If any employee reports to work improperly dressed, the supervisor shall verbally inform the employee of this action as a first offense; and a repeated violation of this policy will be cause for disciplinary action.

Q. PERSONAL HYGIENE

Proper hygiene promotes professionalism within our company and a favorable image to our customers; it also helps us to maintain a sterile environment.

Employees are expected to maintain the highest standards of personal cleanliness and present a neat professional appearance at all times.

R. EMPLOYMENT REFERENCE CHECKS

To ensure that individuals who join Audi/VW Princeton are well qualified and have a strong potential to be productive and successful, it is the policy of Audi/VW Princeton to check the employment references of all applicants.

Audi/VW Princeton will respond in writing only to those reference check inquiries that are submitted in writing. Responses to such inquiries will confirm only dates of employment, wage rates, and position(s) held. No employment data will be released without a written authorization and release signed by the individual who is subject of the inquiry. No other employee is allowed to give out any information on a current or former employee; if they do they could be disciplined up to and including termination.

S. PERSONNEL RECORDS

Each employee is responsible for updating personal information with the Human Resources Department, in writing, when there is a change in address, telephone number, marital status, emergency contact, or number and names of dependents.

Tax information must be kept current. W-4 forms are available in the Accounting Office throughout the year.

All records maintained by the Accounting Department are the property of the Company. Employees may view their Personnel files in the presence of an officer of the Company or a designee. No material may be removed from the file but an employee may insert comments if desired.

Personnel information is shared within the Company only on a "need to know" basis.

Upon written request, you may inspect your own personnel file. Inspections will be held on company premises in the presence of a company official. Contact the Human Resource manager to arrange a time to view these records. You will be permitted to review records related to your qualification for employment, compensation and disciplinary action. You are not permitted access to any letter of reference maintained by the company. If you disagree with the accuracy of any statement in the records and no correction can be agreed upon, you may submit an explanatory statement, which will be attached to the records.

T. CONFIDENTIALITY

As an employee of the Company you may learn confidential business information. During and after employment with the Company, confidential business information may not be shared with non-employees and may only be shared with Company employees on a "need to know" basis. If you violate this policy, disciplinary action will be taken up to and including immediate discharge.

The company will provide employee information to outside agencies only upon written authorization of the employee or as provided by law. The Accounting department is the only authorized department for disclosure of information. Most banks, credit agencies, or other parties requiring employment information will provide you with an appropriate form.

Our standard credit reference letters are limited to confirming dates of employment, job title, and current rate of pay. All requests for employment verification must be received by the Human Resources Department in writing. Our response will be in writing unless special arrangements are made in advance with the Human Resources. The Company does not provide letters of recommendation.

The Company protects employee's privacy and expects the employees to protect the Company's privacy. Supervisors may not give out any information about an employee and must refer any phone calls seeking such information to the Human Resources Manager. Under no circumstances may a Supervisor or Manager verify employment over the phone.

In addition, the Company also expects that you respect the privacy of your fellow employees, both with employees and non-employees. Information concerning salary rates are a personal and private concern and should not be discussed with other employees or non-employees. Personal information about any employee may not be discussed with other employees or non-employees without written Company authorization.

U. WORKPLACE SEARCHES

The Company reserves the right to search any person entering or on its property or off site while performing services for the Company and to search property, equipment and storage areas including but not limited to, clothing, personal effects, vehicles, buildings, rooms, facilities, offices, parking lots, desks, cabinets, lunch and equipment boxes or bags and equipment. Any items which you do not want to have inspected should not be brought to work.

V. OUTSIDE EMPLOYMENT

Employees may work part-time outside of the Company in the evenings and on weekends ("Outside Employment") as long as it does not interfere, conflict or compromise Employee's position with the Company. Any issues involving interference, conflict or compromise shall be decided solely by the Company. Employees are prohibited from using any Company assets, marketing, contracts or materials for such Outside Employment. Employees shall not use any contractor or supplier engaged by the Company. Accordingly, Employees shall not employ, directly or indirectly through any friend or family member, any employee, sub-contractor, independent contractor or agent of any contractors or suppliers engaged by the Company. Any violation of this policy may result in corrective action up to and including termination of employment from the Company.

W. BULLETIN BOARD

Information of interest and importance to you is regularly posted on our bulletin board in the main cafeteria. We suggest you look at it on a regular basis. This bulletin board is for administrative use only; employees may not post or remove any information.

X. LUNCHROOM/REFRIGERATOR

A lunchroom/refrigerator is available for your use. Although general custodial care is provided by the company, all employees are expected to clean up after

themselves if they eat. The lunchroom should be kept clean for the next employee's use.

Y. GOOD HOUSEKEEPING

Good work habits and a neat place to work are essential for job safety and efficiency. You are expected to keep your place of work organized and materials in good order at all times. Report anything that needs repair or replacement to your supervisor.

Z. HAZARD COMMUNICATIONS

Our company may use some chemicals (e.g., cleaning compounds, inks, etc.) in some of its operations. You should receive training and be familiar with the handling, use, storage and control measures relating to these substances if you will use or likely be exposed to them. Material Safety Data Sheets (MSDS) are available for inspections in your work area. You must follow all labeling requirements.

We have designated the Service & Parts Director and the Parts Manager as the safety coordinators with whom you should consult prior to purchasing chemicals for the company or bringing them to our premises, if you have any questions, ask your supervisor or the safety coordinators.

AA. CUSTOMER AND PUBLIC RELATIONS

Our company's reputation is built on excellent service and quality work. To maintain this reputation requires the active participation of every employee.

The opinions and attitudes that customers have toward our company may be determined for a long period of time by the actions of one employee. It is sometimes easy to take a customer for granted, but when we do we run the risk of losing not only that customer, but his/her associates, friends or family who may also be customers or prospective customers.

Each employee must be sensitive to the importance of providing courteous treatment in all working relationships.

IV. TIME AWAY FROM WORK

UNPAID LEAVES

A. MILITARY LEAVE

A military leave of absence will be granted to employees who are absent from work because of service in the U.S. uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA). Advance notice of military service is required, unless military necessity prevents such notice or it is otherwise impossible or unreasonable.

The leave will be unpaid. However, employees may use any available accrued, but unused vacation or sick leave benefits for the absence.

Continuation of health insurance benefits is available as required by USERRA based on the length of the leave and subject to the terms, conditions and limitations of the applicable plans for which the employee is otherwise eligible.

Benefit accruals, such as vacation, sick leave or holiday benefits, will be suspended during the period of the unpaid leave and will resume upon the employee's return to active employment.

Employees on military leave for up to thirty (30) days are required to return to work for the first regularly scheduled shift after the end of service, allowing reasonable travel time. Employees on longer military leave must apply for reinstatement in accordance with USERRA and all applicable state laws.

Employees returning from military leave will be placed in the position they would have attained had they remained continuously employed or a comparable position, depending on the length of military service, in accordance with USERRA. The employees will be treated as though they were continuously employed for purposes of determining benefits based on length of service.

Contact your supervisor for more information or questions about military leave.

B. PERSONAL LEAVE OF ABSENCE POLICY

Full-time employees may apply to the President and department head in writing, for an unpaid personal leave of absence not to exceed fourteen (14) consecutive days. The Personal Leave may be extended, in the Company's sole discretion, taking into consideration the need for an extension and staffing needs. Employees who are granted an unpaid personal leave of absence do not continue to accrue

credit for vacation. All medical, dental, vision premiums must be paid while the employee is out on a personal leave.

If an employee fails to return to work at the end of the leave or is employed by or working for another employer or company during the leave, employment with the Company will be considered voluntarily terminated.

Audi/VW Princeton intends to recognize that reasonable requests for periods of time off beyond those provided by paid time off programs will be honored, providing that accommodation of the requests will not impact normal business operations. Re-employment is not guaranteed. Following completion of the Leave, if re-employment is not possible or unreasonable due to business conditions, the employee will be terminated. (This policy applies only to non FMLA situations)

C. FEDERAL FAMILY AND MEDICAL LEAVE ACT

Eligible employees are entitled to leave as provided by the federal Family and Medical Leave Act of 1993 ("FMLA"). The FMLA provides eligible employees (those who have been employed for at least one (1) year and for at least 1,250 hours during the preceding 12-month period) with up to 12 workweeks of unpaid leave for certain family and medical reasons. In the case of employees who do not meet FMLA eligibility requirements, business considerations and the individual circumstances involved will be reviewed.

Except for those employees designated as "highly compensated employees," employees generally have a right to be returned to the same or to an equivalent position with equivalent pay, benefits and other terms and conditions of employment to the extent required by the FMLA.

FMLA leave will consist of appropriate accrued paid leave and unpaid leave. If FMLA leave is requested for an employee's own serious health condition, the employee will be required to use any accrued but unused sick leave or personal leave. The employee may at their discretion request payment of unused vacation time. The remainder of the leave period in such cases will consist of unpaid leave. FMLA leave may also run concurrently with other leaves for which an employee is eligible (including, without limitation, workers' compensation and disability leaves, if such leaves meet FMLA criteria). If leave is requested for any of the other reasons listed below, an employee must use all of his or her accrued sick leave or personal leave and may at their discretion request payment of any unused vacation time.

Reasons for FMLA Leave

All employees who meet the applicable time of service requirements may be granted family or medical leave consisting of appropriate accrued paid leave and unpaid leave, for a period of twelve (12) weeks (during the 12-month period

measured backward from the date an employee uses any FMLA leave) for any one, or for a combination of, the following reasons:

1. The birth of the employee's child and to care for the child;
2. The placement of a child with the employee for adoption or foster care or to care for the newly placed child;
3. To care for the employee's spouse, child or parent (but not in-law) with a serious health condition; and/or
4. The employee's own serious health condition that makes the employee unable to perform one or more of the essential functions of his or her job.
5. Military family leave will allow relatives of persons called to active duty in the National Guard, Reserves and regular Armed Forces for several "exigencies". A variety of deployment-related reasons would be covered, including;
 - (1) Short-notice deployment, (2) military events and related activities, (3) child-care and school activities, (4) financial and legal arrangements, (5) counseling, (6) rest and recuperation, (7) post deployment activities, (8) additional activities and (9) Also exigency leave for exigencies occurring during the deployment of the member with the Armed Forces to a foreign country.
6. Care for seriously injured or ill service members, "next of kin" which can include grandparents, aunts, uncles, first cousins, and any relative so designated by the service member – not just spouses, parents and children – are eligible to take leave for up to 26 weeks over a twelve month period to care for the service member while he/she is undergoing medical treatment, recuperation, or therapy for a serious injury or illness that was incurred by or aggravated while on active duty in the Armed Forces, whether or not the illness or injury manifested itself before or after the member became a veteran; and he/she was a member of the Armed Forces, National Guard, or Reserves at any time during **the five-year period before** he or she began the treatment, recuperation or therapy.

The entitlement to leave for the birth or placement of a child for adoption or foster care will expire twelve (12) months from the date of the birth or placement.

A "serious health condition" is an injury, illness, impairment or mental condition that involves inpatient care or continuing treatment by a health care provider.

How to Request FMLA Leave

Employees requesting FMLA leave must complete and submit a FMLA Leave Request Form, which can be obtained from an employee's supervisor. The completed FMLA Request Form must state the reason for the leave, the duration of the leave, and the starting and ending dates of the leave.

When leave is foreseeable for childbirth, placement of a child or planned medical treatment for the employee's or family member's serious health condition, the employee must submit a FMLA Request Form at least thirty (30) days before the leave is to begin, or such shorter notice as is practicable (i.e., within 1 or 2 business days of learning of the need for the leave).

If an employee fails to properly designate leave as FMLA, Audi/VW Princeton may do so if it so determines, and designate leave as FMLA leave upon notice to the employee.

Medical Certification

An employee will be required to submit a "Medical Certification Certificate" completed by a health care provider if a request for FMLA leave is based on the serious health condition of the employee or the employee's spouse, child or parent. The Medical Certification Certificate must state the date on which the health condition commenced the probable duration of the condition, and the appropriate medical facts (to the extent permitted by the FMLA and the Americans with Disabilities Act) regarding the condition. If the employee is needed to care for a spouse, child or parent, the certification must so state, along with an estimate of the amount of time the employee will be needed. If the employee has a serious health condition, the certification must state that the employee cannot perform the functions of his or her job.

If Audi/VW Princeton has reason to doubt the employee's initial certification, Audi/VW Princeton may: (1) with the employee's permission, have a designated health care provider contact the employee's health care provider in an effort to clarify or authenticate the initial certification, and/or (2) require the employee to obtain a second opinion by an independent Company-designated provider at Audi/VW Princeton expense. If the initial and second certifications differ, Audi/VW Princeton may, at its expense, require the employee to obtain a third, final and binding certification from a jointly selected health care provider.

During FMLA leave, Audi/VW Princeton may request that the employee provide re-certification of a serious health condition at intervals in accordance with the FMLA. In addition, during FMLA leave, the employee must provide Audi/VW Princeton with periodic reports regarding the employee's status and intent to return to work. If the employee's anticipated return date changes and it becomes necessary for the employee to take more or less FMLA leave than originally expected, the employee must provide Audi/VW Princeton with reasonable notice (i.e., within 2 business days) of the employee's changed circumstances and new return to work date. If the employee gives Audi/VW Princeton notice of his or her intent not to return to work, the employee will be considered to have voluntarily resigned their employment.

Before an employee returns to work from an FMLA leave for the employee's own serious health condition, the employee may be required to submit a fitness for duty certification from the employee's health care provider, with respect to the condition for which the leave was taken, stating that the employee is able to resume work.

FMLA leave may be delayed or denied if the appropriate documentation is not received in a timely manner. In addition, failure to provide requested documentation of the reason for an absence may lead to termination of an employee's employment.

Benefits Coverage During Leave

During FMLA leave, an employee is entitled to be retained on any applicable health plan under the same conditions that applied before leave commenced. To continue health coverage, the employee must continue to make any contributions that he or she made to the plan before taking leave.

In the event an employee fails to return to work after the expiration of FMLA leave, the employee will be required to reimburse Audi/VW Princeton for the payment of health insurance premiums during such leave (including for any insurance premiums paid by Audi/VW Princeton), unless the reason for the employee failing to return from FMLA leave is the continuation of a serious health condition which prevents the employee from performing their job or to circumstances which are beyond the employee's control.

An employee is not entitled to the accrual of any employment benefits that would have occurred if not for the taking of FMLA leave. An employee who takes FMLA leave will not lose any employment benefits that accrued before the date leave began.

Intermittent or Reduced Work Schedule Leave

Under the FMLA, intermittent leave is leave taken in separate blocks of time. A reduced work schedule leave is a leave schedule that reduces an employee's usual number of hours per workweek or hours per workday.

Leaves to care for a newborn or for a newly placed child under the FMLA may not be taken intermittently or on a reduced work schedule unless Audi/VW Princeton expressly consents to an individual leave request. Leave because of an employee's own serious health condition under the FMLA, or to care for an employee's family member's serious health condition under the FMLA, may be taken all at once or, where medically necessary, intermittently or on a reduced work schedule.

If an employee takes leave intermittently or on a reduced work schedule basis, the employee must, when requested, attempt to schedule the leave so as not to unduly

disrupt Audi/VW Princeton operations. When an employee takes intermittent or reduced work schedule leave for foreseeable medical treatment, Audi/VW Princeton may temporarily transfer the employee to an alternative position with equivalent pay and benefits for which the employee is qualified and which better accommodates recurring periods of leave.

D. NEW JERSEY FAMILY LEAVE ACT

Under the federal Family and Medical Leave Act ("FMLA") an eligible employee is entitled to 12 weeks of unpaid leave within a 12-month period with continued group medical insurance for the following purposes: (1) the birth of the employee's child and in order to care for the child, (2) the placement of a child with the employee for adoption or foster care, (3) to care for a spouse, child or parent who has a serious health condition.

New Jersey law also provides for unpaid family leave for employees working in New Jersey. Under the New Jersey Family Leave Act ("NJFLA") an employee is eligible for family or child care leave if he or she has worked at least 1,000 hours in the prior twelve month period, rather than 1,250 hours as provided in the FMLA. The NJFLA provides an eligible employee with 12 weeks of unpaid leave (without continued group health plan coverage) within a 24-month, rather than a 12-month, period. Also, the NJFLA permits leave only to provide care because of (1) the birth of a child, (2) the placement of a child with the employee for adoption, and (3) a family member's (which unlike FMLA, include parents-in-law) serious health condition. Unlike the FMLA, the NJFLA does not provide leave for care because of the foster care placement of a child with the employee or for an employee's own serious health condition. While not covered under the NJFLA, an employee may be entitled to temporary disability benefits for his or her own illness under the New Jersey State Temporary Disability Law.

Under both the FMLA and NJFLA, intermittent leave is leave taken in separate blocks of time. A reduced work schedule leave is a leave schedule that reduces an employee's usual number of hours per workweek or hours per workday.

Leaves to care for a newborn or for a newly placed child under the FMLA and NJFLA may not be taken intermittently or on a reduced work schedule unless Audi/VW Princeton expressly consent to an individual leave request. Leave because of an employee's own serious health condition under the FMLA, or to care for an employee's family members serious health condition under the FMLA and NJFLA, may be taken all at once or, where medically necessary, intermittently or on a reduced work schedule.

If an employee takes leave intermittently or on a reduced work schedule basis, the employee must, when requested, attempt to schedule the leave so as not to unduly disrupt Audi/VW Princeton operations. When an employee takes intermittent or reduced work schedule leave for foreseeable medical treatment, Audi/VW

Princeton may temporarily transfer the employee to an alternative position with equivalent pay and benefits for which the employee is qualified and which better accommodates recurring periods of leave.

In general, if leave qualifies under both the FMLA and NJFLA, any leave will be counted against the employee's entitlement under both laws. Thus, as both the FMLA and NJFLA provide child care and family leave for similar purposes, any such leave taken for such purposes will be counted against the employee's entitlement under both laws. However, as only the FMLA provides leave for care because of foster care placement of a child with the employee and for the employee's own serious health condition, any leave taken for such purposes will be counted only against the employee's entitlement under the FMLA. Thus, in such circumstances, an employee may be entitled to take an additional 12 weeks of leave under the NJFLA for a qualifying reason.

E. VOTING TIME

Audi/VW Princeton encourage those employees who are eligible to vote in local, state and federal elections to do so during non-working hours. If an employee who is eligible and wishes to vote is unable to do so during non-working hours, they will be provided voting time if and to the extent required by applicable state law.

PAID LEAVES

A. VACATION

Full-Time employees are eligible for paid vacation time.

Vacation is calculated according to your anniversary date as follows:

After (1) year, employee will receive one (1) week of vacation.

After (2) years, employee will receive two (2) weeks of vacation.

After (5) years, employee will receive three (3) weeks of vacation.

After (10) years, employee will receive four (4) weeks of vacation.

Employees must submit their vacation requests in writing at least two weeks in advance to your supervisor. When possible, vacation periods will be assigned in accordance with employee requests, taking operating requirements into account. Generally speaking, length of employment determines priority in scheduling vacation time.

All employees who have been employed for one year or more will have a vacation anniversary date of January 1st. If however, you use vacation time prior to your

actual anniversary date, we will take the paid but not earned monies back out of your last pay check.

At the end of the calendar year you will be allowed to roll over up to 5 days to the next year. Any remaining unused time will be forfeited.

Vacation time must be taken and cannot just be "cashed out".

Eligible employees will be paid for any earned but unused vacation time upon termination of employment.

B. SICK DAYS

If you need a sick day or will be absent or late to work for any reason, it is necessary that you call your supervisor prior to the start of your workday so that your supervisor can properly schedule the workload in your absence. Three consecutive days of absence without notification will constitute voluntary resignation from your employment as of the last day worked.

Full-time hourly employees are eligible, after completing their introductory period (90) days, for six (6) paid sick days each year. They are earned at the rate of $\frac{1}{2}$ day per month. You cannot be paid sick pay if you have no sick time accrued.

Exempt employees are also entitled to six (6) sick days per calendar year. Part-time and temporary employees are not eligible for sick days.

All absences must be charged to accrued sick time or vacation time. Sick days cannot be carried over to the following year.

Sick days cannot be used as vacation time or other paid time off.

Employees are not paid for earned but unused sick days upon termination.

C. HOLIDAYS REGULAR SALARY/HOURLY EMPLOYEES

Each salaried/full-time hourly employee will be entitled to the scheduled holidays listed below. The four holiday's the company is open for business the employee must have their manager's permission to be off. Employees who work these holidays will be paid for the day's work and for the holiday.

New Year's Day - open
Memorial Day – open
Fourth of July - open
Labor Day - open
Thanksgiving Day – closed
Christmas Day - closed

The Company reserves the right to grant additional holidays in any given year on a "one-time" basis.

The following holidays we are open and any eligible employee will receive 4 hours pay in addition to actual hours worked.

New Year's Eve
Christmas Eve
Good Friday

Note: Other religious holidays such as Passover, are considered paid holidays and are taken on an individual basis.

Absence Before or After a Holiday

An employee who is absent due to illness on the day before or after a holiday will only be eligible for holiday pay provided he or she presents proof of illness satisfactory to the Company. An employee who is absent from work due to jury duty will be eligible for holiday pay provided he or she submits certification of actual jury duty service.

Employees on Leave

Employees who are on layoff or disability, worker's compensation or any other leave are not entitled to receive holiday pay.

D. NEW JERSEY PAID FAMILY LEAVE

An employee will be eligible if they work 20 base weeks and earn at least 20 times current minimum wage or Employees who have earned 1,000 time's minimum wage adjusted to the next higher multiple of \$100 in calendar year preceding the leave.

An eligible employee is entitled to family leave benefits if he/she takes leave from work;

1. To provide care for a family member who has a serious health condition;
2. To be with a child during the first 12 months after the child's birth if either the employee, or the domestic partner or civil union partner of the employee, is a biological parent of the child; or
3. During the past 12 months after the placement of the child for adoption.

Family member – child, spouse, domestic partner, civil union partner or parent (not parent-in-law)

Serious health condition – Continuing treatment for an injury, illness or impairment

To provide care – to include transportation, emotional support or assistance with daily living

Employee obligations

1. 30 day notice if leave is sought to be with a child after the birth or the placement of the child for adoption.
2. Prior notice in a reasonable and practical manner if the leave is to care for a family member with a serious health condition.
3. Make a reasonable effort to schedule the leave so as not to unduly disrupt the operations of the employer.
4. Submit medical certification.

Medical Certifications

An employee must provide a medical certification from the health care provider setting forth;

1. The date on which the serious health condition commenced;
2. The probable duration of the condition;
3. The medical facts regarding the condition;
4. A statement that the condition warrants the individual providing the care;
5. An estimate of the amount of time need to care for the family member.

Intermittent Leave

An employee may receive benefits for intermittent leave:

1. The total time does not exceed 12 months;
2. Provides 15 days' notice before the first day on which benefits are paid;
3. Makes a reasonable effort to schedule the leave so as not to unduly disrupt the operations and, if possible, provide a schedule of the leave; and
4. Submits a medical certification including the medical necessity for the intermittent leave, the duration and the dates of the treatments.

Job Protection

Small employers (fewer than 50 employees) the failure or refusal to restore an employee to employment following paid family leave will not be a wrongful discharge in violation of a clear mandate of public policy. Furthermore, an employee will not have a cause of action against an employer, in tort, or for breach of an implied provision of employment, or under common law, for refusing or failing to restore the employee to employment.

A large employer (more the 50 employees) for employers who are covered under FMLA and the NJFLA (50 or more employees) the Act does not grant an employee any entitlement to employment restoration. However, it does not increase, reduce or modify any entitlement of an employee to return to employment or any right to take action under the FMLA and the NJFLA.

E. JURY DUTY AND WITNESS DUTY

If you are summoned for jury duty, the Company encourages you to fulfill your right and duty as a citizen. Full-time employees will be granted time off for the duration of your jury duty, unless applicable law requires otherwise, for purposes of attending jury duty when summoned. Employees should notify their supervisor immediately upon receiving a summons to jury duty or to serve as a court witness. Employees granted jury duty leave will receive a fee for serving as a juror, this fee must be turned over to the Company and in return you will receive your full salary for the time spent serving on just duty for up to five (5) days. Flat rate for technicians will be paid an eight (8) hour day at their regular hourly rate.

Employees are expected to report to work on those days they are excused by the court. Full-time employees who are required to serve on jury duty longer than two weeks, and employees who are not classified as full-time employees will be afforded rights as required under applicable state or federal law.

F. BEREAVEMENT LEAVE

Full-time employees are allowed three days off with pay if there is a death in the immediate family to include parent, step-parent, spouse, child, son/daughter in-law, step-child, brother, sister, grandparents, grandchildren and parents-in-law. If the relative are aunts, uncles, nieces, and nephews an employee is permitted one day off with pay. Request for bereavement leave should be made to your immediate supervisor as soon as possible. We reserve the right to request written verification of an employee's family relationship to the deceased and his/her attendance at the funeral service as a condition of the bereavement pay.

V. EMPLOYEE BENEFIT PLANS

The Company provides the following Employee Benefit Plans for eligible employees:

- Group health insurance
- 401K
- Accidental Death and Dismemberment Insurance
- Life Insurance

The requirements for enrollment in each of these plans vary. All regular full-time employees must complete a ninety (90) day introductory period before being eligible for any of the insurance benefits listed above. Eligibility for the 401(k) plan is one month after employment.

The descriptions of benefits contained in this Employee Handbook (and the attached Addendum) are only summaries; in the event of any inconsistency between the summaries contained in this Employee Handbook (and Addendum), and any Plan Document applicable to specific plans, the Plan Document will control. Please be sure to review the group insurance booklets in connection with the various insurance policies described below to learn the details of each policy.

A. GROUP MEDICAL INSURANCE

Audi/VW Princeton has arranged for certain group insurance plans including medical coverage for eligible full-time employees who have completed applicable waiting periods (a summary of these different plans is available to every eligible employee) and who elect to enroll in such plans.

To the extent permitted by the group medical plan, you may also elect coverage for your spouse and/or eligible dependents.

Explanation of these benefits and claim forms are provided in a separate summary plan description booklet made available by the insurance carrier. Should you have further questions concerning this insurance, contact Audi/VW Princeton Human Resources department. Changes in benefits and/or premium may occur from time to time. Continuation of coverage is available to you, your spouse, or your dependents upon the occurrence of a qualifying event to the extent required by applicable federal and state laws.

B. LIFE INSURANCE

Eligible employees will be enrolled in our company's group life insurance plan. Full-time employees are eligible to enroll in this plan upon completion of their 90 day introductory period.

The employee must complete the insurance application and designate their beneficiary.

An accidental Death & Dismemberment rider is included with this insurance plan. Accidental death benefits are paid in addition to your basic coverage benefits. Dismemberment benefits are paid according to a set schedule.

This is intended as a summary of benefits only. Additional information on this plan may be obtained from the Human Resources manager.

C. SHORT-TERM DISABILITY

All employees who have met the minimum earning requirements specified by state law are eligible for short-term disability insurance. This insurance is designed to provide income for you when you are absent from work for more than seven calendar days due to non-occupational illness, injury or pregnancy related disability.

The benefits are calculated as a percentage of your salary, up to a maximum as specified by law, for duration of up to 26 weeks. The cost of the insurance is shared between the company and the employee mandated by the State of New Jersey.

The New Jersey state disability paperwork can be obtained from the Human Resources manager.

D. 401(k) PLAN

A 401(k) Plan is a retirement savings program that allows eligible employees to set aside a portion of their income on a pre-tax or after tax basis. The company's contribution, if any, is determined by the company on an annual basis.

E. WORKERS' COMPENSATION

Audi/VW Princeton has to obtain workers' compensation coverage for employees for job related injuries or illnesses. Creating a safe place to work, free of accidents, is everyone's concern. If you become injured or ill on the job you are to report immediately to your supervisor. Your supervisor will complete an Employer First Report of Injury, which must be submitted to Audi/VW Princeton immediately following the accident or illness. Medical care will be provided as required by

applicable workers' compensation laws. If you fail to report an accident which develops into a lost time accident at a later date, you may have difficulty in obtaining workers' compensation benefits.

You should be aware that workers' compensation insurance does not cover the payment of workers' compensation benefits for any injury which arises out of your voluntary participation in any off-duty recreational, social, athletic activity, or any other off-duty activity which is not a part of your work-related duties.

F. CONTINUATION OF HEALTH COVERAGE

If you are covered by the group medical plan and your employment is terminated for any reason, (other than your gross misconduct), or your work hours are reduced so that your health care coverage is discontinued, you may maintain coverage under the group health plan for as long as 18 months (or more in certain circumstances) by paying the full premium plus a 2% administrative fee. Your rights in connection with such continuation coverage are pursuant to the federal Consolidated Omnibus Budget Reconciliation Act (COBRA).

Continuation may also be made for up to 36 months to surviving spouses and other covered dependents for other reasons such as your death, separation or divorce. Your covered children, who no longer qualify as dependents may also be covered for up to 36 months under the terms of this plan. This information must be given to the plan administrator as soon as the event occurs.

You can continue insurance coverage by electing coverage within 60 days and paying the insurance premium at 102 percent of the premium within 45 days of election. Payments must be retroactive to your date of termination so that coverage is continuous.

You may also have certain benefits continuation rights under applicable state and local laws

VI. PAY AND HOURS

A. HOURS OF WORK

Because of the nature of our business, your work schedule may vary depending on your job. Your check will reflect your compensation for the prior work period less required payroll deductions. Various factors, such as workloads, operational efficiency, staffing needs and Audi/VW Princeton working schedules may require variations in the employee's starting and quitting times. Punctual and consistent attendance is required.

B. MEAL TIME

An unpaid meal break should be taken each day. Your supervisor is responsible for approving the scheduling of this time.

C. PAYMENT OF WAGES

All employees will be paid semi-monthly, the 7th and 22nd of each month. Your check will reflect your compensation for the prior work period less required payroll deductions.

Audi/VW Princeton is not obligated to and will not release a paycheck to any person other than the employee who is to be paid. No one other than the employee to whom the paycheck has been written will be allowed to pick up a paycheck unless advance written authorization has been given for another person to do so. The individual who is sent for the check must present ID and sign for the check. It remains the sole discretion of management to allow the release of a paycheck under such circumstances.

In case of an error in your paycheck, contact the payroll manager immediately to review the possible error. Except in emergencies, adjustments will appear in your next issued paycheck.

Audi/VW Princeton does not provide any payroll advances or extend credit to employees.

D. OVERTIME

Non-exempt employees receive time and one-half of their regular straight time hourly rate for **all hours worked in excess of 40** in any single workweek. Hours worked means time actually spent on the job. It does not include hours away from work due to vacation, sickness, or holiday even when these days are compensated. Sick leave, personal leave or any other time away from work is also not considered hours worked. You are to work overtime only at the request and with the authorization of your supervisor. Employees shall record all time worked,

including time worked over their normal schedule, on the time card, time sheet, or other method designated by Audi/VW Princeton, at the time it actually occurs.

Management expects that employees will work overtime when requested. Advance notice will be given to employees whenever possible. However, employees should be aware that emergencies do occasionally arise that does not permit advance notification. Managers will make every effort to notify the employee as soon as possible when overtime work is required.

Exempt employees are expected to work as much of each workday as is necessary to complete their job responsibilities. No overtime or additional compensation is provided to exempt employees.

E. TIME-KEEPING FOR PAYROLL

All non-exempt employees are required to maintain an accurate record of all time worked. You must record your hours worked on a time management system as payroll is calculated through this system. Scan your finger at the beginning and end of each workday and at your meal break. If there is a problem with the time management system, you must report it immediately to the Human Resources manager. **It is a violation of Audi/VW Princeton policy to alter, falsify or tamper with time records. Employees who violate this policy are subject to disciplinary action, up to and including termination of their employment.**

Exempt employees may also be required to record their time worked and are required to report full days or partial days of absence from work for reasons such as leaves of absence, sick leave, or personal business.

For payroll purposes, the workweek starts on Sunday and ends on Saturday.

F. PAYROLL DEDUCTIONS

Audi/VW Princeton is required to make standard deductions from your earnings on your behalf. Amounts withheld vary according to how much you earn your marital status, government employment regulations, and other factors. These mandatory deductions are made until the maximum amount is reached. Mandated withholdings may include:

Federal Income Tax
State and Local Income Tax
Social Security
Unemployment Insurance
State Short Term Disability
State Paid Family Leave Where Applicable

Audi/VW Princeton may also be required by law to recognize certain court orders, liens, and wage garnishments.

Other deductions may be withheld from your paycheck with your permission,

401(k) Plan
Health Insurance Coverage
AFLAC
Other deductions Authorized by the Employee

G. DIRECT DEPOSIT

Employees may elect direct deposit of your paycheck in any bank that is a member of the Automated Clearing House Association of Banks. However, not all locations offer this option. Please check with your supervisor to determine whether or not you are eligible for direct deposit. Audi/VW Princeton reserves the right, to the extent permitted by applicable law, to reverse any direct deposit amounts erroneously deposited into your account.

VII. TERMINATION OF EMPLOYMENT

A. INVOLUNTARY TERMINATIONS

As an at-will employer, Audi/VW Princeton reserve the right to terminate your employment at any time, with or without cause or notice. In the event of such termination, you are required to return all property belonging to Audi/VW Princeton to your supervisor prior to your departure.

Employees who are rehired following a break in service in excess of six months, other than an approved leave of absence, must serve a new introductory period, whether or not such a period was previously completed. Such employees are considered new employees from the effective date of their re-employment for all purposes, including the purposes of measuring benefits.

Our company does not provide a "letter of reference" to former employees. Instead upon request, we will confirm our employee's dates of employment, salary history and job title.

B. VOLUNTARY RESIGNATIONS

Employees also have the right to terminate their employment at any time, with or without cause or notice. However, Audi/VW Princeton would appreciate at least two (2) weeks advance notice of your intention to resign so that appropriate arrangements can be made. In the event of your resignation, you are required to return all property belonging to Audi/VW Princeton to your supervisor prior to your departure.

C. LAYOFF/WORK REDUCTIONS

A decrease in business requirements or other situations may have an impact upon the required number of employees. If Audi/VW Princeton deems that a layoff and/or reduction in work hours is necessary, it will eliminate positions, reduce the staff and/or reduce work hours in accordance with Audi/VW Princeton assessment of its needs. Such layoffs are permanent unless stated in writing to be temporary, and laid off employees do not have priority recall rights over other employees or job applicants.

D. EXIT INTERVIEWS

Prior to your departure, Audi/VW Princeton may ask you to participate in a voluntary exit interview. You should notify the company if your address changes during the calendar year in which termination occurs so that the tax information will be sent to the proper address.

VIII. ACKNOWLEDGEMENTS

ACKNOWLEDGMENT

(To be placed in Employee's Personnel File)

This will acknowledge that I have received a copy of the Employee Handbook of Audi/VW Princeton and understand that it sets forth the terms and conditions of my employment as well as the duties, responsibilities, and obligations of my employment. I understand and agree that I am responsible for familiarizing myself with the information in the Employee Handbook and Addendum and those they describe the employment policies that govern my employment. I agree to observe these policies.

I further acknowledge and agree that my employment is at-will and may be terminated at any time for any reason, with or without cause or notice, and that I may also terminate my own employment at any time for any reason, with or without cause or notice. I acknowledge that no oral or written statements or representations regarding my employment can alter the foregoing. I also acknowledge that no manager or employee of Audi/VW Princeton has the authority to enter into an employment agreement, express or implied, providing for employment other than employment that is at-will and understand that only the President of Audi/VW Princeton has the authority to enter an employment agreement that alters an employee's at-will employment status with Audi/VW Princeton and any such agreement must be in writing.

I also acknowledge that since the information, policies and benefits described in the Employee Handbook and Addendum are subject to change, I understand and agree that changes may be made in the future with or without cause or notice at any time.

Date

Employee's Signature

Employee's Name (printed)